



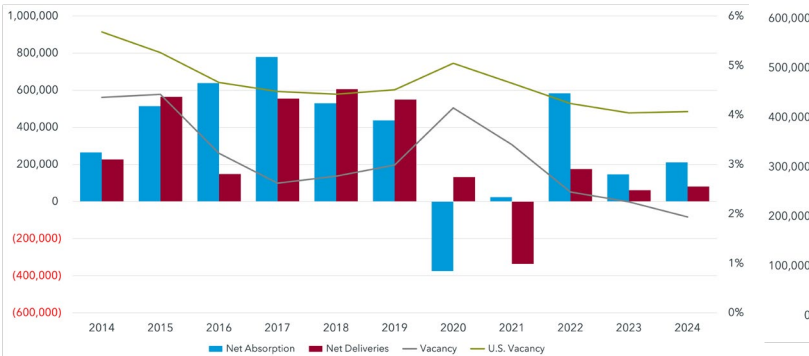
RETAIL MARKET OVERVIEW

CAMP PERRET, Vice President

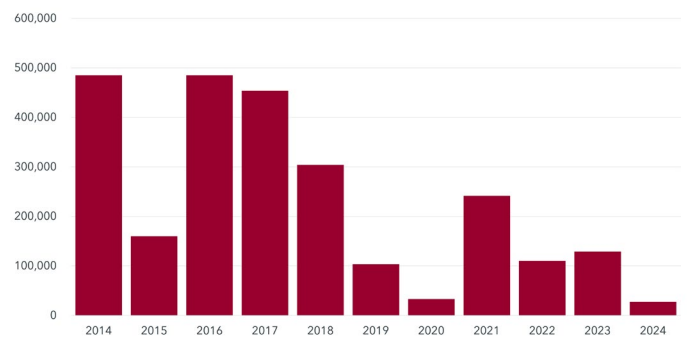
The Madison Retail Market demand remains stable, supported by strong demographics, including above-average median household incomes, low unemployment rates and soaring population growth. The vacancy rate has further tightened to a historic low of 1.9%. Retail space under construction in Q4 dropped to its lowest level in recent years, influenced by high financing rates, rising construction costs, and a market shift toward e-commerce. This trend is expected to continue, further limiting supply. Additionally, sales figures have softened, largely due to elevated borrowing costs.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▲ 12 Mo. Net Absorption SF	211,747	189,448	117,143	178,403	147,040
▼ Vacancy Rate	1.9%	2.0%	2.0%	1.9%	2.2%
▼ Avg NNN Asking Rate PSF	\$17.33	\$17.41	\$17.47	\$17.44	\$17.27
▼ Sale Price PSF	\$151	\$152	\$152	\$153	\$153
◀▶ Cap Rate	7.6%	7.6%	7.6%	7.5%	7.5%
▼ Under Construction SF	27,450	38,640	136,442	141,942	129,000
▲ Inventory SF	43,497,999	43,483,859	43,360,917	43,354,855	43,416,703

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
6333 University Avenue Madison, WI	51,295 SF	\$1,900,000 \$37.04 PSF	JD McCormick Properties Odana Hills LLP	Multi-Tenant
2002 S. Stoughton Road Madison, WI	37,840 SF	\$5,000,000 \$132.14 PSF	O'Reilly Automotive Stores LLC 2002 S. Stoughton LLC	Single Tenant
5703 Odana Road Madison, WI	7,040 SF	\$2,000,000 \$284.09 PSF	Tka Properties LLP 5701 Odana Road LLC	Single Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7475 Mineral Point Road Madison, WI	19,215 SF	Marc Realty	Goodwill Industries of South Central Wisconsin, Inc.	Retail
2425-2429 S. Stoughton Road Madison, WI	14,000 SF	Facility Gateway Corporation	Undisclosed	Undisclosed
2800 Sarah Lane Waunakee, WI	5,010 SF	Louis Fortis	ERA Pancake Café	Food Services

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